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From:

Beth Ericksen

To:

lbrown@usmagnesium.com; ttripp@usmagnesium

CC:

Jed Pearson; Leslie Heppler; White, Susan

Date:

05/29/2008 3:28 PM

Subject:

US Magnesium M/045/008 Meeting Outcome and Actions

Attachments: RECLAM CONTRACT LMO 2-03-06.DOC

Mr. Brown and Mr. Tripp,

Thank you for attending the meeting today and providing US Magnesium's background and operational overview. The Division provided you with information about compiling a plan (NOI, Notice, Notice of Intent) for submittal to the Division. Creating this plan is this step required to meet the regulatory requirements of the Utah Mined Land Reclamation Act and associated rules. As mentioned in the meeting, the Public Information Center, has loads of information if you would like to peruse other plans (you may want to ask us which ones we think are acceptable under today's requirements/standards though). In addition, any of us are here to assist you in answering questions to drive this action forward.

As part of the overall process and to address the escalation to 2012, an amendment to the LOC will be required. Please contact Mr. Jed Pearson or myself if you need further information about Division requirements for the LOC amendment and submittal process. The amount required is \$71,722.00.

The 'new' reclamation contract is attached. The Fact Sheet is not integral to the contract, but must be completed and returned to the Division. If you need assistance with that effort, again, please contact any of us (Susan, Beth, Leslie, Jed). The contract and the LOC amendment should be submitted together, or within a close timeframe of one another. (The reclamation contract signatory must be an authorized officer of the company).

We anticipate a few questions, and would like to have a subsequent meeting before the submittal deadline of Oct. 1, 2008. Please keep the Division informed about your progress during this time. You have our business cards, and here's our numbers once again: Susan 538 5258; Beth 538 5318; Leslie (lead) 538 5257; Jed (surety coordinator) 538 5382.

Thanks again for being prompt and for your professionalism.

Beth

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Smag

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